



# Los Angeles Grand Avenue Authority



## **Board of Directors**

Hon. Gloria Molina, Chair  
Hon. Jan Perry, Vice Chair  
David E. Janssen, Secretary  
Robert R. "Bud" Ovrom  
Sunne Wright McPeak, Ex Officio

## **JANUARY 23, 2006 MINUTES**

The twelfth meeting of the Los Angeles Grand Avenue Authority was held January 23, 2006 at the Kenneth Hahn Hall of Administration, Room 374 A, 500 West Temple Street, Los Angeles, CA.

## **CALL TO ORDER**

Chairperson Gloria Molina noting a quorum called the meeting to order at 10:07 a.m. The following Directors were present, constituting a quorum of the Authority:

Honorable Gloria Molina, Supervisor First District, Los Angeles County  
Honorable Jan Perry, Councilmember Ninth District, City of Los Angeles  
David E. Janssen, Chief Administrative Officer, Los Angeles County  
Robert R. "Bud" Ovrom, Chief Executive Officer, Community Redevelopment Agency, City of Los Angeles

## **APPROVAL OF THE MAY 23, 2005 MINUTES**

**On motion of Director Ovrom, seconded by Director Janssen, the Authority unanimously approved the May 23, 2005 minutes.**

## **GRAND AVENUE COMMITTEE STATUS REPORT**

Eli Broad, Chair, Grand Avenue Committee, reported the subsequent approval of the implementation plan on August 9, 2005 required the Developer to post a Letter of Credit in the amount of \$50 million. The Letter of Credit was received on September 23, 2005 and was issued by Sumitomo Mitsui Banking Corporation. PCR Services has been hired to facilitate the Environmental Impact Report (EIR), and a draft should be available for review by April 2006. The Committee is negotiating terms of the Disposition and Development Agreement (DDA), the Civic Park Design Agreement, and is in the early stages of drafting the Phase 1 Ground Lease.

Director Molina reiterated the importance of completing Parcel Q and the Civic Park expeditiously to avoid escalating construction costs and increased bids. Bill Witte, Related Companies, advised the Developer is cognizant of the fixed budget amount of \$50 million and is aware of the timing concerns regarding completion of the respective projects. Mr. Witte noted the advantage of the Civic Park Design is the Developer can move at a quicker pace than that of a public entity.

Director Perry emphasized the importance of the public's understanding of the community benefits and the project's parameters. Director Perry recommended the Committee consider using the Van Nuys City Hall's video-conferencing facility to expand outreach to the public.

## **ELECTION OF OFFICERS**

**Election of Chairperson:** On motion of Director Perry, seconded by Director Ovrom, the Authority unanimously reelected Chairperson Molina.

**Election of Vice-Chairperson:** On motion of Director Molina, seconded by Director Janssen, the Authority unanimously reelected Vice Chairperson Perry.

**Election of Secretary:** On motion of Director Ovrom, seconded by Director Perry, the Authority unanimously reelected Secretary Janssen.

## **AUTHORITY FINANCING POWERS – AS REQUESTED BY THE COUNTY, ACTION ON DIRECTIONS TO STAFF THAT ANY FUTURE RECOMENDATION FOR AUTHORITY FINANCING BE MADE CONTINGENT UPON THE CONSENT OF THE COUNTY AND ANY RELATED REQUESTS OF THE CONTRACTING MEMBERS OF THE AUTHORITY**

Helen Parker, County Counsel, reported the Los Angeles County Board of Supervisors requested the Authority to not enter into any financing arrangement without consent of the County. Ms. Parker advised the Authority does have the power to enter into financing arrangements; however, the County has requested the assurance that consent will be obtained before the Authority uses such powers.

**On motion of Director Janssen, seconded by Director Perry, the Authority unanimously approved that any future recommendation for Authority financing be made contingent upon the consent of the County.**

## **DEVELOPER TEAM STRUCTURE – ACTION AND DIRECTIONS TO STAFF ON THE PROPOSED TERMS FOR APPROVAL OF GRAND AVENUE L.A., LLC AS THE DEVELOPER**

Paul Rutter, Attorney, Gilchrist & Rutter, outlined the Terms and Conditions of the proposed agreement. Director Molina suggested this item be discussed in Closed Session.

## **NOTICE OF CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8

**PROPERTY:** Parcels Q, W-2, L and M-2 of the Bunker Hill Urban Renewal Project Area

**JPA REAL PROPERTY NEGOTIATOR:** Grand Avenue Committee, Inc., Eli Broad, Antonia Hernandez, Ayalushim Hammond, Gerry Hertzberg, Greg Fischer, David Riccitiello, Martha Welborne, John Edmisten, Richard Volpert, Helen Parker, Paul Rutter, and Tim Chung

**NEGOTIATING PARTIES:** The Related Companies, L.P.

**UNDER NEGOTIATION:** Price and Terms of Payment of Proposed Lease

The Authority recessed to Closed Session at 10:40 a.m.

The Authority reconvened from Closed Session at 10:55 a.m.

**On motion of Director Molina, seconded by Director Perry, the Authority unanimously approved the Grand Avenue Committee (Real Property Negotiator) to proceed and consummate negotiations with Grand Avenue L.A., LLC as the Developer based on the Terms and Conditions outlined in Closed Session.**

**DISCUSSION OF FUTURE AGENDA ITEMS, DATE OF THE NEXT MEETING**

Ms. Welborne reported the next meeting is tentatively scheduled for February 27, 2006 and will include: recommended action on the Civic Park Design Agreement; take action on an Agreement which transfers responsibility from the City of Los Angeles to the JPA for the expenditure of the \$1 million of Proposition 40 funds to be used for the Civic Park Design; and plan to present the Schematic Design of Phase 1 development of Parcel Q.

**PUBLIC COMMENT**

Brady Westwater, President, Downtown Los Angeles Neighborhood Council, commented on the recent public outreach meetings and its benefit to the community in understanding the projects' scope.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:58 a.m.